



**STATE OF CONNECTICUT**  
*DEPARTMENT OF MENTAL HEALTH AND ADDICTION SERVICES*  
*A Healthcare Service Agency*

Dannel P. Malloy  
Governor

Patricia A. Rehmer, MSN  
Commissioner

**Testimony of Patricia A. Rehmer, MSN, Commissioner**  
**Department of Mental Health & Addiction Services**  
**Before the Appropriations Committee**  
**February 15, 2014**

Good afternoon, Senator Harp, Representative Walker and distinguished members of the Appropriations Committee. I am Patricia A. Rehmer, Commissioner of the Department of Mental Health and Addiction Services. As you know, DMHAS, as a health care service agency, focuses on helping more than 110,000 adults annually over age 18 - from communities throughout all of Connecticut - to recover and sustain their health in response to a psychiatric disability and/or substance use disorder. The DMHAS system of care is a public/private partnership. It includes DMHAS' operated services – one (1) hospital and six (6) local mental health centers – and contracted partnerships with the state's general hospitals and over 165 private non-profit, community-based agencies statewide.

I am pleased to be here to discuss the Governor's proposed biennium budget for FY 2014 and FY 2015. As Connecticut continues to deal with its budgetary challenges and continued response to the Newtown tragedy, the Department remains committed to its core mission of promoting wellness, preventing illness, and strengthening a recovery-oriented system of care for people with serious psychiatric and substance use conditions. . The DMHAS proposed budget presented to you by the Governor is one that not only protects core services, but also adds new funding that is critical to the system as we continue to advance recovery-oriented services.

The Governor's recommended budget for DMHAS includes more than \$50 million over the biennium to support increased caseload and utilization growth in several DMHAS programs. These include: 1) the Young Adult Services program; 2) the Acquired Brain Injury program; 3) the Medicaid Home and Community Based Waiver program; 4) the Discharge program that support services for individuals declared discharge-ready to leave CVH; and 5) the LIA program that supports behavioral health services for single low-income adults.

Let me take a moment to describe some of these significant recommendations:

- The recommended budget increases Young Adult Services (YAS) funding of ~~\$4.0~~ million dollars in each year of the biennium. These funds will support young adults transitioning from the Department of Children and Families to DMHAS in order to assure that their services and supports continue. Expansion of Young Adult Services is in direct correlation to the increasing referrals of extremely impaired, high-risk young adults, ages 18-25 who have been identified with a severe and persistent psychiatric disability, YAS staff is actively engaging approximately 250 young adults involved with the Department of Children and Families in transition planning. These new resources will assure that these young adults will have access to clinical, residential, employment, education and social supports that are necessary to achieve their individual life goals, improve their quality of life and promote and sustain community living.
- Funding in the biennium budget includes resources for additional community placements for individuals with traumatic or acquired brain injury TBI/ABI in the amount of approximately \$700,000 for each fiscal year. This additional funding will provide community options for those individuals with TBI/ABI who are in DMHAS' inpatient settings – but who no longer need a hospital level of care. We are also hopeful that should amendments to the waiver be approved, we could prioritize DMHAS clients and receive 50% reimbursement on these dollars.
- Funding is included for additional placements under the Medicaid Waiver for persons with serious mental illness in the amount of \$3.9 million in each year for caseload growth. These funds will provide needed community living services and supports for adults with serious mental health illness. Additional capacity under this waiver is necessitated by the planned expansion of the Money Follows the Person (MFP) program administered by DSS. Under the agreement with the feds, we have to accommodate an

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increased number of clients who will be transitioning off MFP while maintaining capacity for both clients in the ED diverted into community settings where in the past they would have been admitted into nursing homes and clients currently in nursing homes who do not qualify for the waiver but are better served in the community.

- Funding increases to the Discharge program are proposed in the biennium budget of 2.7 million in each fiscal year for new caseload to fund community living services and supports for adults transitioning from inpatient settings to various specialized residential community settings. These dollars will allow us to continue to move individuals out of our state operated inpatient settings and meet the demands of the settlement agreement with the Department of Justice (DOJ).
- Funding is also recommended of \$13.5 million in FY 2014 and \$8.0 million in FY 2015 to support a 5% caseload growth in each year for behavioral health services for single low-income adults up to 55% federal poverty level.

Additionally, this budget includes funding of \$10.3 million in FY 2014 and an additional \$49.2 million in FY 2015 to extend Medicaid benefits under the Medicaid Low-Income Adults program (Husky D) to individuals with income between 55% and 133% of the federal poverty level. This budget also contains new funding of \$10.0 million in each year of the biennial for the development of a Health Home initiative to better coordinate behavioral and physical healthcare for the DMHAS population. This funding, along with inkind state operated and privately provided resources, will garner almost \$50 million in new revenue over the biennium with a 90% reimbursement under the Affordable Care Act , and \$500,000 in FY 2015 for funds to support wrap-around services for 100 units of supportive housing expected to come on line in January of 2015.

In addition to the above recommendations proposed in the budget for DMHAS, there are several proposed service reconfigurations.

The Governor's budget proposes to transfer six vacant positions \$362,165 in FY 2014 and \$373,030 in FY 2015 from the Department of Social Services to DMHAS to promote the development of a unified contracting system for certain human services agencies, create efficiencies by transferring food service staff from Department of Children and Families Solnit Center South Campus to Connecticut Valley Hospital, transferring two positions \$135,367 in FY 2014 and \$139,395 in FY 2015 to support the centralization of affirmative action planning under CHRO, and transfer Rental Assistance Program (RAP) certificates valued at \$1.1 million in each year of the biennium to the Department of Housing to consolidate all RAP funding in the new Department of Housing. Individuals currently using those certificates will not be impacted.

The budget also includes savings of \$280,441 in each year by reducing funding for Legal Services to bring the funding to the amount required under the consent decree eliminating funding of \$906,438 in each year for research activities at the Connecticut Mental Health Center. Savings were also taken to reflect annualization of FY 2013 rescissions in the amount of \$729,411 and Deficit Mitigation Plan in the amount of \$759,526. There should be no adverse impact on the DMHAS service system as a result of these reductions. Various grant accounts were reduced by \$21.1 million in FY 2014 and \$42.1 million in FY 2015 to reflect anticipated reductions in the need numbers of uninsured or underinsured clients accessing DMHAS care as a result of the January 1, 2014 implementation of the Affordable Care Act

I am happy to report that the Governor's budget does propose annualizing the 1% COLA for our private, not-for-profit providers and the establishment within the capital budget \$20.0 million in each year of the biennium for needed infrastructure improvements.

Thank you again for the opportunity to address the Committee today. I believe that the budget before you will help address many of the needs of those we serve. We will be happy to take any questions you may have at this time.